UNITED STATES DISTRICT COURT
PROBATION OFFICE
DISTRICT OF NEW JERSEY

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July 22, 2016

Honorable Susan D. Wigenton
United States District Judge
Martin Luther King Jr. Federal Building & Courthouse
PO Box 0999
Newark, NJ 07102-0999

RE: RICHARD PISCIOTTA
DOCKET NO: 11CR00561-001
REQUEST FOR JUDICIAL GUIDANCE AS TO OFFENDER EMPLOYMENT

Dear Judge Wigenton:

As the Court will recall, on May 6, 2016, the above named defendant, having pled guilty to one count of Sherman Act Conspiracy, was sentenced by Your Honor to a one year term of probation. In addition, a $100 Special Assessment and a $20,000 fine were imposed. Special conditions of probation were also imposed, namely a self-employment/business disclosure condition and an occupational restriction, specifically prohibiting the offender from engaging in employment and/or capital ventures that involve the investment of tax liens. On July 8, 2016, the offender met with the undersigned probation officer to, among other tasks, review his current business practices as they pertain to his continued operation of an L.L.C., which as the probation officer understands, continues to operate at the behest of the offender for the purpose of protecting his property investments. These investments, as understood by the probation officer, are investments from the purchase of tax liens which the offender has maintained at various stages since they were purchased during or prior to calendar year 2009. As explained, as the owner of the tax lien on said property, a certain course of action involving the property owner, Mr. Pisciotta and his attorney, as well as the courts in Trenton that handle foreclosures, are involved as the property owner decides whether they will pay off the tax lien or acquiesce that their property move into foreclosure. Once the property moves into foreclosure, it is our understanding that the tax lien is discharged and through legal means, the property, for protective purposes, is placed under the name of Mr. Pisciotta's LLC. Thereafter, it apparently can take several years for the court to review the foreclosure and allow the LLC to then acquire the property outright.

It is a concern of the Probation Office that there be complete transparency in the offender's efforts to continue to operate a Limited Liability Company, the same company that he operated while committing the instant offense. Mr. Pisciotta emphatically denies that he is engaged in, or has engaged in any conduct specific to bid-rigging tax liens since the commission of the offense. Therefore, we do not believe that he is operating in this manner and do not wish to represent that he is out of compliance with the occupational restriction. Our concern is focused more specifically on his desire to maintain operation of an LLC under the requirement that he obtain the approval of the Probation Office "of any position of self-employment, including any independent, entrepreneurial, or freelance employment or business activity." Said special condition further requires, if approved by probation, to "provide the U.S. Probation Office with full disclosure of self-employment and other business records, including but not limited to, all of the records identified in the Probation Form 48F (Request for Self Employment Records), or as otherwise requested by the U.S. Probation Office."

We believe that Mr. Pisciotta fully intends to cooperate with the requests of the probation officer to provide financial statements and supporting documents. We also believe that his continued operation of his LLC is indeed for the purpose of placing properties in the name of the LLC for protective purposes, while at various stages in his attempts to acquire properties through the purchase of tax liens. When asked if he has intent to continue to purchase tax liens over the next year while on probation, he responded, "I have no way of knowing that." It was unclear why Mr. Pisciotta responded in this manner, and when attempting to secure a more clear understanding, the probation officer was unable to gain such. Despite this, our attempt herein is to keep this Court aware and fully advised of Mr. Pisciotta's business practices so that in the event that the Court has concern, it can be conveyed accordingly. It is our recommendation that upon the consideration of the Court, that Mr. Pisciotta be approved to continue to operate his LLC for the purposes described herein, provided that he cooperate fully with the Probation Office in providing truthful financial statements, signed release authorizations, and supporting documentation.

Should Your Honor have any additional questions or concerns, please feel free to contact the undersigned officer at any time, at (856) 655-1030.

Respectfully submitted,

WILFREDO TORRES, Chief
U.S. Probation Officer

Carolyn S. Johnson

By: Carolyn S. Johnson
U.S. Probation Officer

The Court directs that the following action be taken:

[✓] The Court concurs with the recommendation of the Probation Office, in allowing the defendant to continue operation of his Limited Liability Company

[ ] The Court disapproves the continued operation of the Limited Liability Company.

[ ] The Court wishes to schedule a hearing on this matter. The date/time shall be ________________

[ ] Other

COMMENTS:

____

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[signature]
Signature for Judicial Official

July 26, 2016
Date

/csj